

CITY OF LYNDON
Lyndon, Kansas

**FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT**

December 31, 2015

CITY OF LYNDON

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Lyndon
Lyndon, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Lyndon, Kansas, (primary government only) as of and for the year ended December 31, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note C; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note C of the financial statement, the financial statement is prepared by the City of Lyndon on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of City of Lyndon as of December 31, 2015, or changes in financial position and cash flows thereof for the year then ended.



Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Lyndon as of December 31, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.

Prior Year Comparative

The 2014 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2015 basic financial statement upon which we rendered an unqualified opinion dated April 29, 2015. The 2014 basic financial statement and our accompanying report are not presented herein, but available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. Such 2014 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 comparative information was subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statements or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 comparative information is fairly stated in all material respects in relation to the 2015 basic financial statement as a whole, on the basis described in Note C.



Agler & Gaeddert, Chartered

Ottawa, Kansas
April 29, 2016

City of Lyndon, Kansas

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Cancelled Encumbrances</u>
Governmental type funds		
General	\$ 95,733	\$ 0
Special purpose		
Employee benefits	0	0
City 1% sales tax	52,970	0
City .5% sales tax	0	0
Special highway	32,197	0
Law enforcement	10,067	0
Special parks & recreation	263	0
Special machinery	1,693	0
Bailey House	0	0
Bond & interest	912	0
Capital projects		
Capital Improvements	40,302	0
Business funds		
Water	136,554	0
Sewer	64,893	0
Trash	11,986	0
Swimming pool	4,975	0
Community center	4,100	0
Storm water utility	5,924	0
Total reporting entity (excluding agency funds)	\$ <u>462,569</u>	\$ <u>0</u>

The accompanying notes are an integral part of this statement.

Statement 1

<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
\$ 438,381	\$ 384,328	\$ 149,786	\$ 0	\$ 149,786
170,309	167,898	2,411	114	2,525
125,035	52,400	125,605	0	125,605
20,943	0	20,943	0	20,943
27,172	0	59,369	0	59,369
6,156	1,850	14,373	0	14,373
1,054	0	1,317	0	1,317
0	0	1,693	0	1,693
5,944	317	5,627	0	5,627
18,529	16,816	2,625	0	2,625
52,400	92,702	0	4,895	4,895
377,050	353,846	159,758	218	159,976
264,973	229,162	100,704	0	100,704
76,273	69,196	19,063	0	19,063
7,078	12,053	0	0	0
3,055	5,092	2,063	0	2,063
6,760	5,055	7,629	0	7,629
<u>\$ 1,601,112</u>	<u>\$ 1,390,715</u>	<u>\$ 672,966</u>	<u>\$ 5,227</u>	<u>\$ 678,193</u>

Composition of cash**Checking accounts**

Lyndon State Bank	\$ 477,136
Lyndon State Bank - performance bond	2,024
Lyndon State Bank - water district	278
Lyndon State Bank - municipal court	1,500
Lyndon State Bank - City of Lyndon Pride	6,978

Certificates of deposit

Lyndon State Bank	215,000
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Cash on hand

City	<u>140</u>
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Total cash balance	703,056
Less Agency cash per Schedule 3	<u>24,863</u>

Total reporting entity (excluding agency funds)	<u>\$ 678,193</u>
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City of Lyndon, Kansas

NOTES TO FINANCIAL STATEMENT December 31, 2015

NOTE A. MUNICIPAL REPORTING ENTITY

The City of Lyndon is a municipal corporation governed by a mayor-council form of government with five member council. This financial statement presents the City of Lyndon (the municipality) primary government only. The related municipal entities if any are not included in these financial statements.

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The City potential could have the following types of funds.

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific revenues sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and used to make payments of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Fund – funds financed in whole or part by fees charged to users of goods or services (i.e. enterprise and internal service funds etc.).

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipality reporting entity scholarship funds, etc). The City does not have any of these type funds at the present time.

Agency Fund – funds used to report assets held by the municipal reporting entity in purely a custodial capacity (payroll clearing fund, tax collection accounts, etc.).

NOTE C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America - The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above.

City of Lyndon has approved a resolution that it is in compliance with K.S.A. 75-1120a (c) waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

City of Lyndon, Kansas

NOTES TO FINANCIAL STATEMENT December 31, 2015

NOTE D. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Adjustment for Qualifying Budget Credits – Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

All legal annual operating budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the following funds:

City .5% Sales Tax Bailey House Fund Agency Funds

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing board.

NOTE E. CASH AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the bank to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

City of Lyndon, Kansas

NOTES TO FINANCIAL STATEMENT December 31, 2015

NOTE E. CASH AND INVESTMENTS - continued

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk - State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City has no investments other than certificates of deposit.

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year.

At December 31, 2015, the carrying amount of the City's book balance was \$703,056 less \$140 for petty cash on hand and the bank balance was \$733,561. The bank balance was held by one bank resulting in a concentration of credit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$250,000 was covered by federal depository insurance and \$483,561 was collateralized with securities held by the pledging financial institution's agents in the City's name.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments be adequately secured. The City had no such investments at year end.

NOTE. F LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2015, were as follows:

<u>Debt Issued</u>	<u>Interest</u>	<u>Date of</u>	<u>Amount Issued</u>	<u>Maturity</u>
General Obligation Bonds:				
Municipal Swimming Pool, Series 1996	6.05%	05/1/1996	\$ 300,000	10/1/2016
Water Improvement Series A, 2006	4.38%	06/5/2006	431,200	6/5/2046
Water Improvement Series B, 2006	4.38%	06/5/2006	162,000	6/5/2046
Lease Purchase:				
Street lighting improvements adjacent to U.S. Highway 75 between 5th and 9th St.	5.75%	12/6/1999	155,524	12/5/2014
Land, building & furniture/fixtures at 730 Topeka Ave.	5.55%	11/1/2001	148,500	11/1/2016
LED Street Lighting at 730 Topeka Ave.	4.00%	12/20/2013	15,923	12/5/2018
Street Signs Street markers throughout town	4.00%	5/6/2014	20,000	5/7/2019
Loan Agreement:				
Kansas Water Pollution Control Revolving Fund - wastewater treatment & collection system improvement	2.92%	09/09/2004	\$ 1,466,000	3/01/2026

City of Lyndon, Kansas

NOTES TO FINANCIAL STATEMENT
December 31, 2015

NOTE. F LONG-TERM DEBT – continued

Debt Issued	Beginning of Year Balance	Additions	Reductions/ Payments	End of Year Balance	Interest Paid
General Obligation Bonds:					
Municipal Swimming Pool, Series 1996	\$ 30,000	\$ 0	\$ 15,000	\$ 15,000	\$ 1,815
Water Improvement Series A, 2006	393,000	0	6,000	387,000	17,194
Water Improvement Series B, 2006	146,000	0	2,000	144,000	6,388
Capital Leases:					
LED Street Lighting at 730 Topeka Ave.	12,966	0	3,050	9,916	463
Street Signs Street markers throughout town	17,871	0	3,775	14,096	646
Land, building & furniture/fixtures at 730 Topeka Ave.	27,456	0	13,339	14,117	1,390
Loan Agreement:					
Kansas Water Pollution Control Revolving Fund - wastewater treatment & collection system improvement	991,581	0	73,712	917,869	25,987
	<u>\$ 1,618,874</u>	<u>\$ 0</u>	<u>\$ 116,876</u>	<u>\$ 1,501,998</u>	<u>\$ 53,883</u>
Detail of payments by year					
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Principal:					
General obligation bonds	\$ 23,000	\$ 8,000	\$ 9,000	\$ 10,000	\$ 10,000
Capital leases payable	21,218	7,393	7,694	1,824	0
Kansas Water Pollution Control	75,881	78,112	80,410	82,775	85,210
Total principal	<u>\$ 120,099</u>	<u>\$ 93,505</u>	<u>\$ 97,104</u>	<u>\$ 94,599</u>	<u>\$ 95,210</u>
	<u>2021-2025</u>	<u>2026-2030</u>	<u>2031-2035</u>	<u>2036-2040</u>	<u>2041-2045</u>
Principal:					
General obligation bonds	\$ 57,000	\$ 70,000	\$ 88,000	\$ 107,000	\$ 134,000
Capital leases payable	0	0	0	0	0
Kansas Water Pollution Control	465,150	50,331	0	0	0
Total principal	<u>\$ 522,150</u>	<u>\$ 120,331</u>	<u>\$ 88,000</u>	<u>\$ 107,000</u>	<u>\$ 134,000</u>
	<u>2046</u>	<u>Total</u>			
Principal:					
General obligation bonds	\$ 30,000	\$ 546,000			
Capital leases payable	0	38,129			
Kansas Water Pollution Control	0	917,869			
Total principal	<u>\$ 30,000</u>	<u>\$ 1,501,998</u>			

City of Lyndon, Kansas

NOTES TO FINANCIAL STATEMENT December 31, 2015

NOTE. F LONG-TERM DEBT - continued

Interest:	2016	2017	2018	2019	2020
General obligation bonds	\$ 24,139	\$ 22,881	\$ 22,531	\$ 22,138	\$ 21,700
Capital leases payable	1,597	703	407	241	18
Kansas Water Pollution Control	26,252	24,020	21,722	19,357	16,923
Total interest	<u>\$ 51,988</u>	<u>\$ 47,604</u>	<u>\$ 44,661</u>	<u>\$ 41,735</u>	<u>\$ 38,641</u>
	2021-2025	2026-2030	2031-2035	2036-2040	2041-2045
Interest:					
General obligation bonds	\$ 101,456	\$ 88,025	\$ 71,138	\$ 50,403	\$ 24,588
Capital leases payable	0	0	0	0	0
Kansas Water Pollution Control	45,512	735	0	0	0
Total interest	<u>\$ 146,968</u>	<u>\$ 88,760</u>	<u>\$ 71,138</u>	<u>\$ 50,403</u>	<u>\$ 24,588</u>
	2046	Total			
Interest:					
General obligation bonds	\$ 1,313	\$ 428,610			
Capital leases payable	0	2,948			
Kansas Water Pollution Control	0	137,598			
Total interest	<u>\$ 1,313</u>	<u>\$ 569,156</u>			

NOTE G. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General	Employee Benefits	K.S.A. 12-825d	\$ 20,000
Water	Employee Benefits	K.S.A. 12-825d	40,900
Sewer	Employee Benefits	K.S.A. 12-825d	9,300
City 1% Sales Tax	Capital Improvement	K.S.A. 12-1,118	52,400
Capital Improvement	Bailey House Fund	K.S.A. 12-825d	5,944
Swimming Pool	General Fund	K.S.A. 12-1,118	1,192

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS

Other Post Employment Benefits: As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retiree's health insurance plan because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been qualified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (CORBA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

City of Lyndon, Kansas

NOTES TO FINANCIAL STATEMENT December 31, 2015

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS

Compensated Absences: Full time employees may accrue vacation at varying intervals, according to length of service, up to a maximum of 240 hours. Vacation is paid upon resignation, retirement or when taken and recognized as an expenses at that time. The amount of accrued vacation leave as of the year end which is not recorded in the financial statement is detailed as follows:

	Balance January 1, 2015	Net Change	Balance December 31, 2015
Compensated absences			
Vacation leave	\$ 24,031	\$ (3,946)	\$ 20,085
	<u>\$ 24,031</u>	<u>\$ (3,946)</u>	<u>\$ 20,085</u>

Sick leave accrues at the rate of 8 hours per month for full-time employees, up to a maximum of 480 hours. A percentage of the accrued sick leave may be paid to employees in good standing upon resignation or retirement, according to their years of service. The City's policy is to record sick leave expense when paid. The City did not pay out any accrued sick leave for 2015.

NOTE I. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description - The City of Lyndon participates in the Kansas Public Employees Retirement System (KPERS) which is a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901. et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and requires supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Contributions - KSA 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015 Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 0.85% contribution rate for Death and Disability Program) and the statutory contribution rate was 9.48% for the fiscal year ended December 31, 2015. Contributions to the pension plan from City of Lyndon were \$34,012 for the year ended December 31, 2015.

City of Lyndon, Kansas

NOTES TO FINANCIAL STATEMENT December 31, 2015

NOTE I. DEFINED BENEFIT PENSION PLAN - continued

Net Pension Liability

At December 31, 2015, the City of Lyndon's proportionate share of the collective net pension liability reported to KPERS was \$276,790. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The City of Lyndon's proportion of the net pension liability was based on the ratio of the City of Lyndon's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

NOTE J. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Settlement of claims has not exceeded commercial insurance coverage in any of the last three fiscal years.

NOTE K. CAPITAL PROJECTS

There were no major capital projects at year end.

NOTE K. OTHER INFORMATION

Ad Valorem Tax Revenue: The determination of assessed valuation and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser's office annually determines assessed valuation and the County Clerk spreads the annual assessment to the taxing units. One-half of the property taxes are due December 20 and distributed to the City by January 20 to finance a portion of the current year's budget. The second half is due May 20 and distributed to the City by June 5. The City draws available funds from the County Treasurer's office at designated times throughout the year.

Reimbursed Expenses: The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as revenue in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits.

Compliance with Kansas Statutes: References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the State Director of Accounts and Reports and interpretation by the legal representative of the municipality.

The City is not aware of any statute violations for the year ended December 31, 2015.

Wells P. Bailey House: As of December 31, 2015 the City had \$5,627 in restricted cash in the Bailey House Fund which came from selling of tax credits. The Funds are restricted for the purpose of repairing and maintaining the Well P. Bailey House.

Subsequent Events: The City evaluated subsequent events through April 29, 2016, the date the financial statements were available to be issued. No subsequent events were identified which require disclosure.

**REGULATORY BASIS
SUPPLEMENTARY INFORMATION**

City of Lyndon, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

(Budgeted Funds Only)

For the Year Ended December 31, 2015

	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
Governmental Type Funds					
General	\$ 573,005	\$ 0	\$ 573,005	\$ 384,328	\$ (188,677)
Special purpose					
Employee benefits	181,436	0	181,436	167,898	(13,538)
City 1% sales tax	123,504	0	123,504	52,400	(71,104)
Special highway	18,078	0	18,078	0	(18,078)
Law enforcement	15,625	0	15,625	1,850	(13,775)
Special parks & recreation	0	0	0	0	0
Special machinery	13,000	0	13,000	0	(13,000)
Bond & interest	18,615	0	18,615	16,816	(1,799)
Capital Projects					
Capital Improvements	475,127	0	475,127	92,702	(382,425)
Business funds					
Water	393,207	0	393,207	353,846	(39,361)
Sewer	261,427	0	261,427	229,162	(32,265)
Trash	75,262	0	75,262	69,196	(6,066)
Swimming pool	12,500	0	12,500	12,053	(447)
Community center	5,395	0	5,395	5,092	(303)
Storm water	6,000	0	6000	5,055	(945)

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2a

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		2015		
	2014	Actual	Budget	Variance Over (Under)
	Actual			
Receipts				
Taxes				
Property	\$ 194,348	\$ 236,420	\$ 247,582	\$ (11,162)
Delinquent	13,563	9,233	7,185	2,048
Motor vehicle	32,874	32,714	30,521	2,193
Recreational vehicle	508	515	593	(78)
16/20M vehicle	0	0	365	(365)
Sales tax	<u>58,804</u>	<u>57,480</u>	<u>51,878</u>	<u>5,602</u>
 Total taxes	 300,097	 336,362	 338,124	 (1,762)
 Intergovernmental				
Local alcohol liquor fund	1,112	1,054	661	393
Licenses and permits				
Utility franchise tax	64,268	60,726	64,000	(3,274)
Licenses and permits	1,386	1,400	1,400	0
Fines and fees	1,346	2,189	6,857	(4,668)
Use of money and property				
Interest on idle funds	703	868	92	776
Reimbursed expenses	22,926	19,356	0	19,356
Miscellaneous	14,650	15,234	0	15,234
Transfers in	<u>0</u>	<u>1,192</u>	<u>80,000</u>	<u>(78,808)</u>
 Total receipts	 <u>406,488</u>	 <u>438,381</u>	 <u>\$ 491,134</u>	 <u>\$ (52,753)</u>
 Expenditures				
General administration				
Salaries	74,263	51,755	\$ 80,000	\$ (28,245)
Contractual services	74,808	74,015	75,455	(1,440)
Commodities	<u>15,409</u>	<u>6,661</u>	<u>18,995</u>	<u>(12,334)</u>
 Total general government	 <u>164,480</u>	 <u>132,431</u>	 <u>174,450</u>	 <u>(42,019)</u>
 Police				
Salaries	50,017	75,133	72,042	3,091
Contractual services	3,045	2,994	3,544	(550)
Commodities	<u>14,235</u>	<u>8,928</u>	<u>16,000</u>	<u>(7,072)</u>
 Total police	 <u>67,297</u>	 <u>87,055</u>	 <u>91,586</u>	 <u>(4,531)</u>

See Independent Auditor's Report

City of Lyndon, Kansas

Schedule 2a

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		2015		
	2014			Variance
	Actual	Actual	Budget	Over
				(Under)
Expenditures - continued				
Street & alley				
Salaries	\$ 29,072	\$ 28,344	\$ 46,908	\$ (18,564)
Contractual services	732	815	1,101	(286)
Commodities	13,755	21,027	18,527	2,500
	<u>43,559</u>	<u>50,186</u>	<u>66,536</u>	<u>(16,350)</u>
Total street & alley				
	<u>43,559</u>	<u>50,186</u>	<u>66,536</u>	<u>(16,350)</u>
Parks & recreation				
Salaries	3,410	5,631	9,422	(3,791)
Contractual services	5,343	5,421	9,148	(3,727)
Commodities	22,783	7,617	18,821	(11,204)
Capital Outlay	0	6,339	14,000	(7,661)
	<u>31,536</u>	<u>25,008</u>	<u>51,391</u>	<u>(26,383)</u>
Total parks & recreation				
	<u>31,536</u>	<u>25,008</u>	<u>51,391</u>	<u>(26,383)</u>
Swimming Pool				
Salaries	16,901	15,976	18,000	(2,024)
Contractual services	0	420	0	420
Commodities	0	2,893	700	2,193
Capital Outlay	0	0	4,000	(4,000)
	<u>16,901</u>	<u>19,289</u>	<u>22,700</u>	<u>(3,411)</u>
Total swimming pool				
	<u>16,901</u>	<u>19,289</u>	<u>22,700</u>	<u>(3,411)</u>
Street lighting				
Contractual services	37,901	38,212	35,557	2,655
	<u>37,901</u>	<u>38,212</u>	<u>35,557</u>	<u>2,655</u>
Total swimming pool				
	<u>37,901</u>	<u>38,212</u>	<u>35,557</u>	<u>2,655</u>
Municipal Court				
Salaries	6,737	6,705	6,247	458
Contractual	2,742	5,181	5,899	(718)
Commodities	110	261	785	(524)
	<u>9,589</u>	<u>12,147</u>	<u>12,931</u>	<u>(784)</u>
Total Municipal Court				
	<u>9,589</u>	<u>12,147</u>	<u>12,931</u>	<u>(784)</u>
Operating transfers	14,492	20,000	117,854	(97,854)
	<u>14,492</u>	<u>20,000</u>	<u>117,854</u>	<u>(97,854)</u>
Total expenditures	<u>385,755</u>	<u>384,328</u>	<u>\$ 573,005</u>	<u>\$ (188,677)</u>
Receipts over (under) expenditures	20,733	54,053		
Unencumbered cash, January 1	<u>75,000</u>	<u>95,733</u>		
Unencumbered cash, December 31	\$ <u>95,733</u>	\$ <u>149,786</u>		

See Independent Auditor's Report

City of Lyndon, Kansas

Schedule 2b

SPECIAL PURPOSE FUND
EMPLOYEE BENEFITS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Receipts				
Taxes				
Property	\$ 108,653	\$ 74,532	\$ 77,800	\$ (3,268)
Delinquent	5,924	4,076	0	4,076
Motor vehicle	15,149	18,181	17,071	1,110
Recreational vehicle	234	287	332	(45)
16/20M vehicle	<u>0</u>	<u>0</u>	<u>204</u>	<u>(204)</u>
Total taxes	129,960	97,076	95,407	1,669
Use of money and property				
Interest on idle funds	24	22	29	(7)
Reimbursed expenses	3,720	3,011	0	3,011
Operating transfers	<u>38,756</u>	<u>70,200</u>	<u>86,000</u>	<u>(15,800)</u>
Total receipts	<u>172,460</u>	<u>170,309</u>	\$ <u>181,436</u>	\$ <u>(11,127)</u>
Expenditures				
Social security	27,598	23,998	\$ 32,500	\$ (8,502)
KPERS	123,752	34,012	35,500	(1,488)
State unemployment	5,011	3,291	6,148	(2,857)
Worker's compensation	13,608	13,204	14,288	(1,084)
Medical insurance	0	92,725	93,000	(275)
Refund to employee of overpayment	<u>2,491</u>	<u>668</u>	<u>0</u>	<u>668</u>
Total expenditures	<u>172,460</u>	<u>167,898</u>	\$ <u>181,436</u>	\$ <u>(13,538)</u>
Receipts over (under) expenditures	0	2,411		
Unencumbered cash, January 1	<u>0</u>	<u>0</u>		
Unencumbered cash, December 31	\$ <u>0</u>	\$ <u>2,411</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2c

SPECIAL PURPOSE FUND
CITY 1% SALES TAX
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		<u>2015</u>		
	<u>2014</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Taxes				
Sales tax	\$ 128,144	\$ 125,035	\$ 119,007	\$ 6,028
Use of money and property				
Interest on idle funds	<u>0</u>	<u>0</u>	<u>229</u>	<u>(229)</u>
Total receipts	<u>128,144</u>	<u>125,035</u>	<u>\$ 119,236</u>	<u>\$ 5,799</u>
Expenditures				
Streetlight lease payments	15,607	0	\$ 0	0
Operating transfers	<u>97,367</u>	<u>52,400</u>	<u>123,504</u>	<u>(71,104)</u>
Total expenditures	<u>112,974</u>	<u>52,400</u>	<u>\$ 123,504</u>	<u>\$ (71,104)</u>
Receipts over (under) expenditures	15,170	72,635		
Unencumbered cash, January 1	<u>37,800</u>	<u>52,970</u>		
Unencumbered cash, December 31	<u>\$ 52,970</u>	<u>\$ 125,605</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2d

**SPECIAL PURPOSE FUND
CITY .5% SALES TAX
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Receipts		
Taxes		
Sales tax	\$ <u>0</u>	\$ <u>20,943</u>
Total receipts	<u>0</u>	<u>20,943</u>
Expenditures		
Operating Transfers	<u>0</u>	<u>0</u>
Total expenditures	<u>0</u>	<u>0</u>
Receipts over (under) expenditures	0	20,943
Unencumbered cash, January 1	<u>0</u>	<u>0</u>
Unencumbered cash, December 31	\$ <u><u>0</u></u>	\$ <u><u>20,943</u></u>

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2e

SPECIAL PURPOSE FUND
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		<u>2015</u>		
	<u>2014</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Intergovernmental				
State aid	\$ 26,907	\$ 27,172	\$ 26,750	\$ 422
Total receipts	<u>26,907</u>	<u>27,172</u>	<u>\$ 26,750</u>	<u>\$ 422</u>
Expenditures				
Contractual services	0	0	\$ 1,772	\$ (1,772)
Commodities	0	0	5,509	(5,509)
Operating transfers	<u>6,800</u>	<u>0</u>	<u>10,797</u>	<u>(10,797)</u>
Total expenditures	<u>6,800</u>	<u>0</u>	<u>\$ 18,078</u>	<u>\$ (18,078)</u>
Receipts over (under) expenditures	20,107	27,172		
Unencumbered cash, January 1	<u>12,090</u>	<u>32,197</u>		
Unencumbered cash, December 31	<u>\$ 32,197</u>	<u>\$ 59,369</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2f

SPECIAL PURPOSE FUND
LAW ENFORCEMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		2015		
	2014	Actual	Budget	Variance Over (Under)
Receipts	Actual			
Taxes				
Property	\$ 10,608	\$ 3,931	\$ 4,074	\$ (143)
Delinquent tax	456	413	0	413
Motor vehicle tax	1,737	1,784	1,667	117
Recreation vehicle tax	27	28	32	(4)
16/20 vehicle tax	0	0	20	(20)
Total taxes	<u>12,828</u>	<u>6,156</u>	<u>\$ 5,793</u>	<u>\$ 363</u>
Expenditures				
Salaries	22,625	0	\$ 10,625	\$ (10,625)
Contractual	<u>0</u>	<u>1,850</u>	<u>5,000</u>	<u>(3,150)</u>
Total expenditures	<u>22,625</u>	<u>1,850</u>	<u>\$ 15,625</u>	<u>\$ (13,775)</u>
Receipts over (under) expenditures	(9,797)	4,306		
Unencumbered cash, January 1	<u>19,864</u>	<u>10,067</u>		
Unencumbered cash, December 31	<u>\$ 10,067</u>	<u>\$ 14,373</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2g

SPECIAL PURPOSE FUND
SPECIAL PARKS & RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		<u>2015</u>		
	<u>2014</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Intergovernmental				
Local alcohol liquor fund	\$ 1,112	\$ 1,054	\$ 661	\$ 393
Reimbursed expenses	<u>186</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total receipts	<u>1,298</u>	<u>1,054</u>	<u>\$ 661</u>	<u>\$ 393</u>
Expenditures				
Commodities	<u>1,550</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total expenditures	<u>1,550</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Receipts over (under) expenditures	(252)	1,054		
Unencumbered cash, January 1	<u>515</u>	<u>263</u>		
Unencumbered cash, December 31	<u>\$ 263</u>	<u>\$ 1,317</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2h

SPECIAL PURPOSE FUND
SPECIAL MACHINERY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		2015		
	2014			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts				
Operating transfers	\$ 6,800	\$ 0	\$ 6,687	\$ (6,687)
Total receipts	<u>6,800</u>	<u>0</u>	<u>6,687</u>	<u>(6,687)</u>
Expenditures				
Street equipment	<u>6,815</u>	<u>0</u>	<u>13,000</u>	<u>(13,000)</u>
Total expenditures	<u>6,815</u>	<u>0</u>	<u>13,000</u>	<u>(13,000)</u>
Receipts over (under) expenditures	(15)	0		
Unencumbered cash, January 1	<u>1,708</u>	<u>1,693</u>		
Unencumbered cash, December 31	<u>\$ 1,693</u>	<u>\$ 1,693</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2i

**SPECIAL PURPOSE FUND
BAILEY HOUSE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Receipts		
Operating Transfers	\$ <u>0</u>	\$ <u>5,944</u>
Total receipts	<u>0</u>	<u>5,944</u>
Expenditures		
Contractual	0	298
Commodities	<u>0</u>	<u>19</u>
Total expenditures	<u>0</u>	<u>317</u>
Receipts over (under) expenditures	0	5,627
Unencumbered cash, January 1	<u>0</u>	<u>0</u>
Unencumbered cash, December 31	\$ <u><u>0</u></u>	\$ <u><u>5,627</u></u>

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2j

BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		<u>2015</u>		
	<u>2014</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Taxes				
Property	\$ 14,783	\$ 15,201	\$ 15,908	\$ (707)
Delinquent	1,044	802	0	802
Motor vehicle	2,438	2,487	2,323	164
Recreational vehicle	38	39	45	(6)
16/20M vehicle	<u>0</u>	<u>0</u>	<u>28</u>	<u>(28)</u>
Total receipts	<u>18,303</u>	<u>18,529</u>	<u>\$ 18,304</u>	<u>\$ 225</u>
Expenditures				
Principal	15,000	15,000	\$ 15,000	\$ 0
Interest	2,723	1,815	1,815	0
Commissions	1	1	0	1
Miscellaneous	<u>0</u>	<u>0</u>	<u>1,800</u>	<u>(1,800)</u>
Total expenditures	<u>17,724</u>	<u>16,816</u>	<u>\$ 18,615</u>	<u>\$ (1,799)</u>
Receipts over (under) expenditures	579	1,713		
Unencumbered cash, January 1	<u>333</u>	<u>912</u>		
Unencumbered cash, December 31	<u>\$ 912</u>	<u>\$ 2,625</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2k

CAPITAL PROJECTS
CAPITAL IMPROVEMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		2015		
	2014			Variance
	Actual	Actual	Budget	Over Over (Under)
Receipts				
Intergovernmental				
Grants	\$ 46,427	\$ 0	\$ 200,000	\$ (200,000)
Operating transfers	<u>97,367</u>	<u>52,400</u>	<u>202,699</u>	<u>(150,299)</u>
Total cash receipts	<u>143,794</u>	<u>52,400</u>	<u>\$ 402,699</u>	<u>\$ (350,299)</u>
Expenditures				
Streets & highway	97,926	9,893	125,000	(115,107)
Sidewalks	10,712	5,276	10,000	(4,724)
Drainage	0	0	5,127	(5,127)
Community and economic development	2,150	154	0	154
Safe Routes	27,500	59,200	315,000	(255,800)
Sewer Plant	0	12,235	0	12,235
Water Line	0	0	20,000	(20,000)
Operating transfers	<u>0</u>	<u>5,944</u>	<u>0</u>	<u>5,944</u>
Total expenditures	<u>138,288</u>	<u>92,702</u>	<u>\$ 475,127</u>	<u>\$ (382,425)</u>
Receipts over (under) expenditures	5,506	(40,302)		
Unencumbered cash, January 1	<u>34,796</u>	<u>40,302</u>		
Unencumbered cash, December 31	<u>\$ 40,302</u>	<u>\$ 0</u>		

See Independent Auditor's Report

City of Lyndon, Kansas

Schedule 21

BUSINESS FUNDS

WATER

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2015

		2015		
	2014			Variance
Receipts	Actual	Actual	Budget	Over
Fees				(Under)
Charges for services	\$ 380,513	\$ 360,539	\$ 393,209	\$ (32,670)
Late charges	7,427	7,399	0	7,399
New meters	96	974	0	974
Meters pulled	650	750	0	750
Other	180	217	0	217
Handling	2,971	2,949	0	2,949
Kansas water plan fee	755	684	0	684
Vending	6,057	2,668	0	2,668
After hours service calls	90	150	0	150
Total fees	398,739	376,330	393,209	(16,879)
Use of money and property				
Interest on idle funds	750	720	602	118
Total receipts	399,489	377,050	\$ 393,811	\$ (16,761)
Expenditures				
Operations				
Salaries	112,871	107,576	\$ 99,000	\$ 8,576
Employee benefits	0	0	0	0
Contractual services	158,428	159,285	177,092	(17,807)
Commodities	14,213	14,500	24,533	(10,033)
Contractual maintenance	0	0	20,000	(20,000)
Total operations	285,512	281,361	320,625	(39,264)
Non- operating				
Principal and interest	31,931	31,581	31,582	(1)
Other	1,326	4	0	4
Transfers out	29,166	40,900	41,000	(100)
Total non-operating	62,423	72,485	72,582	(97)
Total expenditures	347,935	353,846	\$ 393,207	\$ (39,361)
Receipts over (under) expenditures	51,554	23,204		
Unencumbered cash, January 1	85,000	136,554		
Unencumbered cash, December 31	\$ 136,554	\$ 159,758		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2m

BUSINESS FUNDS

SEWER

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2015

		2015		
	2014			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts				
Fees				
Charges for services	\$ 259,310	\$ 262,362	\$ 267,457	\$ (5,095)
Late charges	2,228	2,211	0	2,211
Connects & disconnects	90	211	0	211
Total fees	261,628	264,784	267,457	(2,673)
Use of money and property				
Interest on idle funds	160	0	0	0
Miscellaneous	449	189	450	(261)
Total receipts	262,237	264,973	\$ 267,907	\$ (5,346)
Expenditures				
Operations				
Salaries	64,513	61,718	\$ 65,000	\$ (3,282)
Contractual services	34,647	37,818	38,000	(182)
Commodities	14,327	18,194	20,295	(2,101)
Total operations	113,487	117,730	123,295	(5,565)
Non- operating				
Principal and interest	102,132	102,132	102,132	0
Operating transfers	6,590	9,300	36,000	(26,700)
Total non-operating	108,722	111,432	138,132	(26,700)
Total expenditures	222,209	229,162	\$ 261,427	\$ (32,265)
Receipts over (under) expenditures	40,028	35,811		
Unencumbered cash, January 1	24,865	64,893		
Unencumbered cash, December 31	\$ 64,893	\$ 100,704		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2n

BUSINESS FUNDS

TRASH

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2015

		2015		
	2014			Variance
	Actual	Actual	Budget	Over Over (Under)
Receipts				
Fees				
Charges for services	\$ 74,987	\$ 74,042	\$ 77,500	\$ (3,458)
Late charges	2,229	2,231	0	2,231
Total receipts	<u>77,216</u>	<u>76,273</u>	<u>\$ 77,500</u>	<u>\$ (1,227)</u>
Expenditures				
Operations				
Salaries	5,349	4,751	\$ 9,246	\$ (4,495)
Contractual services	65,406	64,264	65,516	(1,252)
Commodities	345	181	500	(319)
Total expenditures	<u>71,100</u>	<u>69,196</u>	<u>\$ 75,262</u>	<u>\$ (6,066)</u>
Receipts over (under) expenditures	6,116	7,077		
Unencumbered cash, January 1	<u>5,870</u>	<u>11,986</u>		
Unencumbered cash, December 31	<u>\$ 11,986</u>	<u>\$ 19,063</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2o

BUSINESS FUNDS
SWIMMING POOL
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		<u>2015</u>		
	<u>2014</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Fees				
Charges for services	\$ 3,459	\$ 3,295	\$ 7,807	\$ (4,512)
Concessions	2,768	2,266	0	2,266
Other	2,710	1,517	0	1,517
Operating transfers	<u>7,129</u>	<u>0</u>	<u>4,700</u>	<u>(4,700)</u>
Total receipts	<u>16,066</u>	<u>7,078</u>	<u>\$ 12,507</u>	<u>\$ (5,429)</u>
Expenditures				
Operations				
Contractual services	3,705	3,235	\$ 5,500	\$ (2,265)
Commodities	7,386	7,626	7,000	626
Operating transfers	<u>0</u>	<u>1,192</u>	<u>0</u>	<u>1,192</u>
Total expenditures	<u>11,091</u>	<u>12,053</u>	<u>\$ 12,500</u>	<u>\$ (447)</u>
Receipts over (under) expenditures	4,975	(4,975)		
Unencumbered cash, January 1	<u>0</u>	<u>4,975</u>		
Unencumbered cash, December 31	<u>\$ 4,975</u>	<u>\$ 0</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2p

BUSINESS FUNDS
COMMUNITY CENTER
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		<u>2015</u>		
	<u>2014</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Fees				
Rentals	\$ 3,340	\$ 3,055	\$ 2,600	\$ 455
Other				
Donations	75	0	0	0
Operating transfers	<u>4,363</u>	<u>0</u>	<u>3,000</u>	<u>(3,000)</u>
Total receipts	<u>7,778</u>	<u>3,055</u>	\$ <u>5,600</u>	\$ <u>(2,545)</u>
Expenditures				
Operations				
Contractual services	3,413	4,779	\$ 3,895	\$ 884
Commodities	<u>265</u>	<u>313</u>	<u>1,500</u>	<u>(1,187)</u>
Total expenditures	<u>3,678</u>	<u>5,092</u>	\$ <u>5,395</u>	\$ <u>(303)</u>
Receipts over (under) expenditures	4,100	(2,037)		
Unencumbered cash, January 1	<u>0</u>	<u>4,100</u>		
Unencumbered cash, December 31	\$ <u>4,100</u>	\$ <u>2,063</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 2a

BUSINESS FUNDS
STORM WATER UTILITY
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

		<u>2015</u>		
	<u>2014</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Fees				
Charges for services	\$ 6,759	\$ 6,760	\$ 6,722	\$ 38
Total receipts	<u>6,759</u>	<u>6,760</u>	<u>\$ 6,722</u>	<u>\$ 38</u>
Expenditures				
Operations				
Transfer to Capital Improvement	<u>6,630</u>	<u>5,055</u>	<u>6,000</u>	<u>(945)</u>
Total expenditures	<u>6,630</u>	<u>5,055</u>	<u>\$ 6,000</u>	<u>\$ (945)</u>
Receipts over (under) expenditures	129	1,705		
Unencumbered cash, January 1	<u>5,795</u>	<u>5,924</u>		
Unencumbered cash, December 31	<u>\$ 5,924</u>	<u>\$ 7,629</u>		

See Independent Auditor's Report.

City of Lyndon, Kansas

Schedule 3

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2015

Fund	Beginning Unencumbered Cash balances	Receipts	Disbursements	Ending Unencumbered Cash balances
Sales tax	\$ 2,272	\$ 3,290	\$ 3,005	\$ 2,557
City of Lyndon Pride	0	18,950	11,972	6,978
Water district	278	0	0	278
Performance bonds	2,021	3	0	2,024
Municipal court	1,088	19,313	18,901	1,500
Credits	1,757	199	0	1,956
Water deposits	10,170	9,980	10,580	9,570
	<u>\$ 17,586</u>	<u>\$ 51,735</u>	<u>\$ 29,481</u>	<u>\$ 24,863</u>

See Independent Auditor's Report.